

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF VIRGINIA

IN RE: . Case No. 08-35653 (KRH)  
.  
.  
Chapter 11  
Jointly Administered  
CIRCUIT CITY STORES, .  
INC., et al., . 701 East Broad Street  
Richmond, VA 23219  
.  
Debtors. .  
October 30, 2012  
2:05 p.m.  
. . . . .

TRANSCRIPT OF HEARING  
BEFORE HONORABLE KEVIN R. HUENNEKENS  
UNITED STATES BANKRUPTCY COURT JUDGE

APPEARANCES:

For the Debtor: Tavenner & Beran, PLC  
By: LYNN L. TAVENNER, ESQ.  
20 North Eighth Street, 2nd Floor  
Richmond, VA 23219

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1 COURTROOM DEPUTY: All rise. The court is now in  
2 session. Please be seated and come to order.

3 COURT CLERK: Item Number 89, Circuit City Stores  
4 Incorporated.

5 MS. TAVENNER: Good afternoon, Your Honor. Lynn  
6 Tavenner of the law firm of Tavenner & Beran, appearing today  
7 on behalf of the Circuit City Stores, Inc. Liquidating Trust.  
8 And Ms. Catherine Bradshaw who normally is in attendance with  
9 us is not here today. The Trust is closed due to the inclement  
10 weather. She offered to come downtown. I told her that I  
11 would advise you of that offer and we could certainly get her  
12 in by telephone if you have specific questions related to the  
13 matter.

14 THE COURT: I think that we can dispense with the  
15 requirement that she be in two locations at the same time  
16 today.

17 MS. TAVENNER: Thank you, Your Honor. There is only  
18 one matter --

19 THE COURT: Glad to see, though, however, that you  
20 decided to return from San Diego.

21 MS. TAVENNER: Thank you. I tried to get here --  
22 back as quickly as I could, given the weather.

23 THE COURT: I tried to stay -- extend my stay as long  
24 as I could but --

25 (Laughter)

1 MS. TAVENNER: I was worried that coming through  
2 Philadelphia might not be a good thing, given the forecast.

3 THE COURT: Yes, well --

4 MS. TAVENNER: I did manage to get a flight through  
5 Charlotte which was better.

6 THE COURT: Good.

7 MS. TAVENNER: The matter that's before the Court  
8 today, Your Honor, is just simply one thing. It's a motion for  
9 an order allowing that certain documents be filed under seal.

10 Your Honor, the substantive motion that this relates  
11 to has actually been filed, as well. It's a motion for  
12 approval of a settlement agreement with several entities  
13 affiliated with Chi Mei Corporation which are foreign entities.

14 Your Honor, we had filed a similar motion in the past  
15 with regard to Samsung. These are parties -- defendants to  
16 various actions that were filed prior to -- initially prior to  
17 Circuit City's bankruptcy. They relate to certain price fixing  
18 within the industry related to the LCD TVs and related LCD  
19 components. Circuit City has also initiated and incorporated  
20 in one place its own action related to the same. And then,  
21 there is multi-district litigation out in California, as well.

22 The settlement reached with the Chi Mei entities --  
23 and I'm not certain that I'm pronouncing it -- would resolve  
24 all of the issues related to those parties, specifically.  
25 However, there are multiple defendants that are -- remain. And

1 certainly the disclosure of the confidential information would  
2 be a huge impediment going forward with regard to settling the  
3 pending matters, as well as the Chi Mei entities have made it a  
4 requirement that the settlement itself be confidential.

5           Because of that, Your Honor, we filed the motion  
6 requesting that we be allowed to file the specific settlement  
7 agreement under seal with the court. We also did provide a  
8 specific procedure in the event that parties that are not  
9 specific defendants in that litigation wanted to review the  
10 document. There's a procedure that they can utilize to see the  
11 document.

12           With that, Your Honor, we would request that Your  
13 Honor approve that procedure which is the same one that we  
14 utilized in connection with the Samsung motion. And I will let  
15 you know, Your Honor, that I don't believe anyone took us up on  
16 the offer. But we would request that Your Honor allow us to  
17 file the relevant settlement document under seal and proceed to  
18 a hearing on the substantive motion at our next omnibus date as  
19 scheduled.

20           THE COURT: All right, very good. Does any party  
21 wish to be heard in connection with the motion for an order  
22 authorizing certain documents to be filed under seal and  
23 providing for procedures protecting confidential information?

24                           (No audible response)

25           THE COURT: All right. There being no objection, Ms.

1 Tavenner, the Court has reviewed this. It is exactly the same  
2 as what I had previously approved in the Samsung litigation and  
3 I think that it's entirely appropriate here, as well. So the  
4 Court has no problem granting that motion and will look for  
5 that order and have it entered as soon as it comes in.

6 MS. TAVENNER: Thank you, Your Honor. And then we  
7 will proceed to file the document under seal with the court's  
8 ECF procedures.

9 THE COURT: All right, very good.

10 MS. TAVENNER: Your Honor, that is the only matter  
11 that's on the docket today. But I would like to address one  
12 other matter, if Your Court -- if Your Honor pleases.

13 THE COURT: You may.

14 MS. TAVENNER: We have an additional settlement that  
15 has been reached in this same litigation which is being handled  
16 by Kenneth Marks of the Susman Godfrey firm on behalf of the  
17 Trust. This settlement relates to the, what we call, the LGD  
18 parties. It's various entities, as well. And they are again  
19 entities that are located outside the jurisdiction of the  
20 United States. We have a motion that is prepared to be filed  
21 with respect to a 9019, as well as a similar motion to seal.

22 Your Honor, the issue that we have is, we have severe  
23 concerns about receiving payment on the settlement in the event  
24 that the effective date is such that the payment date would not  
25 be due until the new year 2013. Indeed, the LGD counsel has

1 advised us that they would support and believe that it is in  
2 the best interest that we get a motion heard in time to receive  
3 the payment prior to the close of 2012.

4           Your Honor, based upon the omnibus dates that we have  
5 already set in this instance, we wouldn't have sufficient  
6 timing because we want to make sure that all parties in  
7 interest have sufficient notice. I've spoken with your  
8 courtroom deputy and have learned that you might have some time  
9 on November the 28th at noon to entertain the substantive  
10 motion with respect to the LGD 9019 and was hopeful that Your  
11 Honor would indulge us and give us a special day and hour for  
12 this motion.

13           THE COURT: Well, you know, miraculously, somebody's  
14 already penciled it in on my calendar here. So it looks like I  
15 am available and -- on that day and I could certainly  
16 accommodate you in that regard.

17           MS. TAVENNER: Thank you, Your Honor. Then, we will  
18 proceed to file the 9019 motion for that date. And if Your  
19 Honor pleases, we're certainly happy to file the motion to seal  
20 and get that on the omnibus date prior to that hearing in the  
21 event that someone wants to take us up on our offer to view the  
22 document.

23           THE COURT: And when is that omnibus hearing?

24           MS. TAVENNER: I know that we have one --

25           THE COURT: I see it. It's on the 14th -

1 MS. TAVENNER: Yes.

2 THE COURT: -- of November. Okay. Yes, that'll be  
3 fine.

4 MS. TAVENNER: All right. We will do that, then,  
5 Your Honor. Thank you very much. We are having great success  
6 with the Susman firm in moving these matters forward and it's  
7 resulting in some great funds coming into the estate so that we  
8 can ultimately distribute it out.

9 THE COURT: Okay. Well, that's certainly a good  
10 thing. All right. Anything else that's not on the docket that  
11 I need to know about today?

12 MS. TAVENNER: No, Your Honor. Thank you.

13 THE COURT: Okay. Thank you very much. We'll be  
14 adjourned.

15 COURTROOM DEPUTY: All rise. Court is now adjourned.

16 \* \* \* \* \*

17 **C E R T I F I C A T I O N**

18 I, STEPHANIE SCHMITTER, court approved transcriber,  
19 certify that the foregoing is a correct transcript from the  
20 official electronic sound recording of the proceedings in the  
21 above-entitled matter, and to the best of my ability.

22

23 /s/ Stephanie Schmitter

24 STEPHANIE SCHMITTER

25 J&J COURT TRANSCRIBERS, INC.

DATE: November 8, 2012